

**MURPHY FAMILY FARMS
M1100**

CONTRACT GROWER AGREEMENT

On this _____ day of _____, 19____, Murphy Farms Inc., a North Carolina corporation, doing business as Murphy Family Farms ("Murphy"), at 2124 - 90th Avenue, P.O. Box 70, Algona, Iowa 50511, and xxxxxxxxxxxx, xxxxxxxxxxxx, of xxxxxxxxxxxx, Iowa, a Contract Grower ("Grower"), mutually agree that Murphy is the owner of certain pigs which will be delivered to the Grower by Murphy. Ownership of these pigs shall at all times remain with Murphy. The parties do mutually contract and agree to the terms and conditions of this Contract Grower Agreement ("Contract") which are hereby set forth:

RECITAL

1. Murphy and Grower are desirous of entering into an agreement which will enhance the quality of life for consumers, grower, employees and owner through the production of quality pork.

2. Murphy is desirous of contract feeding hogs to market weight in buildings generally known as a "M1100" building or substantially similar structure which would include a slat floor, scraper or flush system.

I. "MURPHY" OBLIGATIONS:

- A. Provide feeder pigs to Grower.
- B. Provide for transportation of pigs to and from Grower's premises.
- C. Provide management guidelines to Grower.
- D. Provide feed and necessary medication to Grower and establish minimum standards for health care and preventive maintenance of pigs through manuals or otherwise from time to time.
- E. Perform all marketing functions.
- F. Assist in adequate environmental planning for site and facilities including plans for site windbreaks.
- G. Provide Pork Quality Assurance (PQA) or other appropriate quality training on an annual basis for Grower and training to Grower to implement proper drug inventories and administration documentation through manuals or otherwise from time to time.
- H. Provide payment to Grower based on the terms and formula specified in Section III.

II. "GROWER" OBLIGATIONS:

- A. Execute a Contract Grower Receipt (CGR) each time pigs are delivered to or removed from Grower's premises. Deliver completed CGR to Murphy.
- B. Execute and deliver a written report to Murphy's Production Personnel each month. Grower shall report such reasonable statistical data and information each month as Murphy may from time to time direct through manuals or otherwise. All death loss, however, shall be communicated immediately to Murphy by Grower.
- C. Agree to use good husbandry practices as may be decreed by Murphy from time to time in manuals or otherwise and to provide at the Grower's expense properly maintained facilities. Grower shall at all times practice humane husbandry in the care